

BIRTHDAY HOUSE TRUST

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2021**

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FOR THE YEAR ENDED 5 APRIL 2021

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BIRTHDAY HOUSE TRUST
TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 5 APRIL 2021

The Trustees are pleased to present their report together with the financial statements of the charity for the year ended 5 April 2021. The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published in October 2019.

Objectives and activities

The Trustees may pay or apply the unrestricted capital and income of the Charity to or for such charitable institutions or purposes as the Trustees in their absolute discretion think fit.

The objective of the Trust is the provision of Sheltered Accommodation at Easebourne, Midhurst, West Sussex, known as Birthday House. In furtherance of the Trustees' charitable activities, the Trustees' let their property known as Rotherfield Sports Ground to the Rotherfield Sports Association for use as a playing field and, until it was sold during the year, Conifers School Car Park to Conifers School for use as a car park. Both are let at a nominal rent.

The Trustees carry out these objectives by regularly considering appeals from other charities and making policy and funding decisions.

Public Benefit

The Trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 and have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities and setting the donations policy for the year. The benefit that arises is the provision of funding to organisations that demonstrate charitable purpose.

Achievements and performance

During the year the Trustees made grants totalling £76455 [2020: £132999] in furtherance of their objectives and continue to make grants to charitable organisations both on a one-off and recurring basis. The larger grants awarded during the year are stated in the notes to the financial statements.

The Trustees are pleased with the progress made in the financial year ended 5 April 2021 and look forward to expanding their work with many other charities in the years to come.

Financial review

The Trustees received £79171 in investment income in the current year [2020: £93991] and the Trustees have achieved their intention of spending the income on charitable activities.

Net outgoing resources for the year were £81482 [2020: outgoing £113911]. In addition the Trust realised a gain on investments of £357707 [2020: gain £0] and made an unrealised gain of £1833279 [2020: loss £955409]. The net incoming movement on funds was £2109504 [2020: outgoing £1069370].

During the year, the Trustees sold land at Egmont Road, Easebourne, Midhurst, West Sussex, GU29 9BG, known as Conifers School Playing Field (and used as a school car park), to the Trustees of the Cowdray Settled Estate for the sum of £500,000 (before fees). The transaction was authorised on terms which have been communicated to the Charity Commission who are satisfied it was expedient in the interests of the charity that the trustees should enter into the sale, even though the Trustees of the Cowdray Settled Estate is a connected person (as defined in section 118 of the Charities Act 2011).

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Investment policy

The Trustees have instructed the Investment Manager that the portfolio is to be invested to produce a suitable mixture of income in order that the level of grants may be maintained and capital growth to secure the future of the Charity over the coming years. The Trustees are confident that the future income stream is secure.

The investment policy is monitored by regular investment reports and meetings with the Investment Manager. A breakdown of the investments held during the financial year ended 5 April 2021 can be seen on page 9.

Risk Management

The major risks to which the Charity is exposed have been identified and steps taken to mitigate those risks.

The main risk to the Charity concerns the investments held. The Trustees have mitigated this risk by engaging Cazenove Capital to manage the investments and monitor the portfolio and financial risks to the Charity. The Trustees regularly review the valuation of investments and the income stream generated.

The Trustees have satisfied themselves that the trust is a going concern and has adequate resources to continue in operational existence for the foreseeable future. The charitable activities are funded by the investment portfolio and although Covid-19 has had a negative impact on this, the portfolio has sufficient value to support continued grant making.

Reserves policy

It is the intention of the Trustees to sustain the unrestricted funds at a level which will provide sufficient funds for the level of grants paid and to cover the Charity's management and administration costs.

At the Balance Sheet date the unrestricted reserves amounted to £9618443.

Future Plans

The Trustees do not envisage any material change to the operation of the Charity in the long-term and the investments will continue to be managed on a similar basis as they are now. Notwithstanding this, the Trustees remain flexible in terms of the type of organisations it supports.

Structure, governance and management

The Trust has charitable status and was set up by The Third Viscount Cowdray by Deed dated 31 March 1966.

The management of the Charity is vested in the Trustees and they actively review the perceived major risks which the Charity faces and the Trustees are satisfied that the systems in place mitigate those risks.

The Trustees have received appropriate briefing on their responsibilities under the law relating to charities and their duty to ensure that their charitable activities are for the public benefit. The appointment of new trustees is vested in the Settlor during their life. The selection of future trustees will have regard to the skills, knowledge and experience needed for the effective administration of the Charity. Induction and training for trustees is provided where relevant.

BIRTHDAY HOUSE TRUST
TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 5 APRIL 2021

Reference and administrative information

A registered charity, registered with the Charity Commissioners for England and Wales as number 248028.

Principal Office:
4th Floor
10 Bruton Street
London
W1J 6PX

The Trustees are Dickinson Trust Limited and Rathbone Trust Company Limited.

The Directors of Dickinson Trust Limited are:

The Hon H M T Gibson (Chairman)
Mr M W Burrell (Retired 9 September 2020)
The Viscount Cowdray
The Hon C A Pearson
The Hon P N Gibson
The Hon B C Gurdon
Mr J R E Smith
Mr R C P Troughton
Mrs S J Burrell (Appointed 9 September 2020)
Mr J V Naunton Davies (Retired 9 September 2020)
Mr S J Atkinson
Mrs F A Rice (Appointed 9 September 2020)
Mrs N T Eagle
Mr M P Harris

The Directors of Rathbone Trust Company Limited are:

Mr B R Newbigging (Managing Director)
Miss L J Cousins
Mr T F Smith
Mr A J Warren (Retired 1 September 2021)
Mr A Richmond
Mr J Hurrell
Mr S Bilbao
Mr R P Stockton
Ms K J Toth

Solicitors:

Currey & Co LLP
33 Queen Anne Street
London
W1G 9HY

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TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 5 APRIL 2021

Reference and administrative information (continued)

Harriet Sergeant
Martin and Company Audit Limited
25 St Thomas Street
Winchester
SO23 9HJ

Banker:
Royal Bank of Scotland plc
119-121 Victoria Street
London
SW1E 6RA

Banker:
Schroder & Co Limited
1 London Wall Place
London
EC2Y 5AU

Investment Manager:
Cazenove Capital
1 London Wall Place
London
EC2Y 5AU

BIRTHDAY HOUSE TRUST
TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 5 APRIL 2021

Statement of Trustees' Responsibilities

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable regulations). Under that law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period.

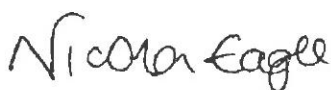
In preparing these financial statements the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping adequate accounting records which are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the Trust Deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Trustees on 31 January 2022 and signed on their behalf by:

DICKINSON TRUST LIMITED



Director

RATHBONE TRUST COMPANY LIMITED



Director

BIRTHDAY HOUSE TRUST

**INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 5 APRIL 2021**

I report to the charity trustees on my examination of the accounts of the charity for the year ended 5 April 2021 which are set out on pages 7-15.

Responsibilities and basis of report

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the Act").

I report in respect of my examination of the charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Harriet Sergeant
Martin and Company Audit Limited
25 St Thomas Street
Winchester
SO23 9HJ

Date: *22nd February 2022*

BIRTHDAY HOUSE TRUST
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 5 APRIL 2021

	Note	2021 Unrestricted funds £	2021 Total funds £	2020 Prior year total funds £
Income from:				
Charitable activities	4	53,021	53,021	61,187
Investments	5	79,171	79,171	93,991
Total		<u>132,192</u>	<u>132,192</u>	<u>155,178</u>
Expenditure on:				
Raising funds	6	3,391	3,391	3,327
Charitable activities	7	210,283	210,283	265,762
Total		<u>213,674</u>	<u>213,674</u>	<u>269,089</u>
Net income/(expenditure)		(81,482)	(81,482)	(113,911)
Gains/(losses) on tangible assets	12	357,707	357,707	-
Gains/(losses) on investment assets	11	1,833,279	1,833,279	(955,459)
Net movement in funds		2,109,504	2,109,504	(1,069,370)
Reconciliation of funds:				
Total funds brought forward		7,508,939	7,508,939	8,578,309
Total funds carried forward		<u>9,618,443</u>	<u>9,618,443</u>	<u>7,508,939</u>

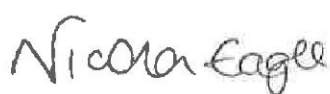
BIRTHDAY HOUSE TRUST

BALANCE SHEET AS AT 5 APRIL 2021

	Note	2021 Total funds £	2020 Prior year funds £
Fixed Assets:			
Tangible assets	12	153,774	286,267
Investments	11	9,201,595	6,992,497
Total Fixed Assets		<u>9,355,369</u>	<u>7,278,764</u>
Current Assets:			
Debtors	13	2,945	3,257
Cash at bank	14	285,363	253,950
Total Current Assets		<u>288,308</u>	<u>257,207</u>
Liabilities:			
Creditors: Amounts falling due within one year	15	(25,234)	(27,032)
Net Current Assets or Liabilities		<u>263,074</u>	<u>230,175</u>
Total Net Assets or Liabilities		<u>9,618,443</u>	<u>7,508,939</u>
The Funds of the Charity:			
Unrestricted funds		9,618,443	7,508,939
Total Charity Funds		<u>9,618,443</u>	<u>7,508,939</u>

Approved by the Trustees on 31 January 2022 and signed on their behalf by:

DICKINSON TRUST LIMITED



Director

RATHBONE TRUST COMPANY LIMITED



Director

BIRTHDAY HOUSE TRUST

SCHEDULE OF INVESTMENTS AND INCOME FOR THE YEAR ENDED 5 APRIL 2021

	Holding 6 April 2020	Market Value 6 April 2020 £	Additions Cost £	Disposals Proceeds £	Profit (Loss) £	Holding 5 April 2021	Book Value 5 April 2021 £	Market Value 5 April 2021 £	Percentage of total	Gross Income £
Jpmorgan GBP Liquidity E	50,000	50,000				50,000	50,000.00	50,000	0.54 %	45.71
Schroder Private Equity Funds II Cls A Shares Euro	17,476.81	34,664				17,476.81	5,969.04	31,437	0.35 %	
Smith & Williamson S&W Gryphon East River Fund	38,330.00	6,907,833	375,819.33			40,020.00	5,431,199.26	9,120,158	99.11 %	79,125.05
TOTAL:		<u>6,992,497</u>	<u>375,819.33</u>				<u>5,487,168.30</u>	<u>9,201,595</u>	<u>100.00 %</u>	<u>79,170.76</u>

BIRTHDAY HOUSE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2021

1. Statutory Information

Birthday House Trust is a registered charity. The registered number and principal office address can be found in the Report of the Trustees'.

2. Accounting Policies

a) Basis of financial statements preparation

The financial statements of the charity, which is a public benefit entity, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been removed.

The trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern.

b) Nature of funds

All funds held are unrestricted and the Trustees are free to use them in accordance with the charitable objects.

c) Fixed asset investments

Investments are stated at market value at the Balance Sheet date. Overseas investments are translated into sterling at the rates ruling at the year end. The Statement of Financial Activities (SOFA) includes the net gains and losses on revaluation and disposals throughout the year.

d) Income

Income is recognised in the SOFA once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

e) Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of resources.

BIRTHDAY HOUSE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2021

f) Charitable grants

Grants payable are recognised in the SOFA when they are approved by the Trustees and the recipient has been informed of the amount to be paid.

g) Foreign currencies

Transactions denominated in a foreign currency are translated into sterling at the rate of exchange ruling at the date of the transaction. At the Balance Sheet date monetary assets and liabilities denominated in a foreign currency are translated at the rate ruling at that date. All exchange differences are dealt with in the SOFA.

h) Property

Property known as Birthday House in Easebourne, Midhurst, West Sussex including fixtures and fittings, and Rotherfield Sports Ground in Easebourne, Midhurst, West Sussex are reflected at cost less any provision for diminution in value. No depreciation is charged on Birthday House. The Trustees consider the repairs and renewals charged through the rent account to be adequate to keep Birthday House in a good state of repair. It is also considered by the Trustees that any depreciation charged would not be material in the context of these financial statements.

i) Irrecoverable VAT

Irrecoverable VAT is written off to the same expense category in which the actual expenditure was incurred.

3. Remuneration of Trustees

In the financial year to 5 April 2021 the Trustees did not receive any remuneration or have their expenses reimbursed by the Charity. Dickinson Trust Limited charged administration expenses of £30784 [2020: £27629].

4. Income from charitable activities

	2021	2020
	£	£
Rental income Rotherfield Sports Ground	1,250	1,250
Rental income Conifers School Playing Field	109	360
Rental income Birthday House	51,662	59,577
	<u>53,021</u>	<u>61,187</u>

5. Investment income

	2021	2020
	£	£
Income from investments	79,171	93,806
Deposit interest	-	185
	<u>79,171</u>	<u>93,991</u>

BIRTHDAY HOUSE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2021

6. Expenditure on raising funds	2021 £	2020 £
Investment management fees	3,391	3,327
	<u>3,391</u>	<u>3,327</u>

7. Charitable activities	Direct costs (see note 8) £	Support costs (see note 9) £	Total £
Charitable expenditure	<u>76,455</u>	<u>133,828</u>	<u>210,283</u>

8. Direct costs

The Charity undertook no direct charitable activities but awarded grants to a number of institutions in furtherance of its charitable objectives. These are as follows:

	£
Cowdray Heritage Trust	32,655
Greenpeace Environmental Trust	10,000
Red Squirrel Survival Trust	6,000
Ibiza Preservation Fund	6,000
	<u>54,655</u>
Other grants (equal to or individually less than £5,000)	21,800
Total for the year	<u><u>76,455</u></u>

Analysis of grants made	Grants to institutions £	Grants to individuals £	Total £
Advancement of education	10,000	-	10,000
Advancement of health or the saving of lives	3,000	-	3,000
Advancement of citizenship or community development	5,750	-	5,750
Advancement of environmental protection or improvement	16,050	-	16,050
Relief of those in need, by reason of youth, age, ill-health, disability, financial hardship or other disadvantage	-	32,655	32,655
Advancement of animal welfare	6,000	-	6,000
Promotion of the efficiency of the armed forces of the Crown, the police, fire and rescue services, or ambulance services	3,000	-	3,000
	<u>43,800</u>	<u>32,655</u>	<u>76,455</u>

BIRTHDAY HOUSE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2021

9. Support costs	2021	2020
	£	£
Administration expenses	30,784	27,629
Legal expenses	-	330
Bank charges	1	59
Rathbone Trust Company Limited fees	4,200	4,200
Legal Entity Identification number fee	70	75
Millbank Financial Services Ltd Stewardship Fees	5,479	9,826
Property expenses	93,294	90,644
	<u>133,828</u>	<u>132,763</u>

10. Staff costs

There are no employees so consequently no staff costs have been incurred.

11. Fixed asset investments	2021	2020
	£	£
Market value brought forward	6,992,497	8,014,906
Additions	376,076	-
Less disposal proceeds	(257)	(66,950)
Net gains/(losses) on investments	<u>1,833,279</u>	<u>(955,459)</u>
Market value carried forward	<u>9,201,595</u>	<u>6,992,497</u>

Geographical analysis	2021	2020
	£	£
United Kingdom investments	9,120,158	6,907,833
Overseas investments	<u>81,437</u>	<u>84,664</u>
	<u>9,201,595</u>	<u>6,992,497</u>

The investments were revalued each year up to 5 April 1999. Therefore, there is no historic cost figure available. The book value of the investments at 5 April 2021 is £5487168.

Net gains/(losses) on investments includes realised gains for the year of £0 [2020: loss £50] and unrealised gains on revaluation to market value of £1833279 [2020: loss £955409].

BIRTHDAY HOUSE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2021

12. Tangible assets

	Conifers School Playing Field £	Rotherfield Sports Ground £	Birthday House £	2021 Total £	2020 Total £
Book cost brought fwd	132,493	60,828	92,946	286,267	283,147
Additions	5,820	-	-	5,820	3,120
Less disposal proceeds	(496,020)	-	-	(496,020)	-
Net gains/(losses) on sale	357,707	-	-	357,707	-
Book cost carried fwd	-	60,828	92,946	153,774	286,267

13. Debtors

	2021 £	2020 £
Rental income due	734	625
Prepayments	955	2,632
Trustees fees	1,256	-
	2,945	3,257

14. Cash at bank

	2021 £	2020 £
Royal Bank of Scotland plc	61,797	39,160
Schroder & Co Limited	219,585	198,701
National Westminster Bank	3,981	16,089
	285,363	253,950

15. Creditors: Amounts falling due within one year

	2021 £	2020 £
Payments due to charities	15,000	15,000
Accruals	5,330	4,942
Cowdray Estate building works	3,109	5,290
Rent deposits	1,725	1,725
Legal Entity Identification number fee	70	75
	25,234	27,032

BIRTHDAY HOUSE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2021

16. Commitments made	Annual value	Number of years	Total £
No conditions attached: Science Museum			15,000
			<u>15,000</u>

17. Movement in funds	2021 £	2020 £
Unrestricted funds:		
Balance brought forward	7,508,939	8,578,309
Net movement in funds	2,109,504	(1,069,370)
Balance carried forward	<u>9,618,443</u>	<u>7,508,939</u>

Net movement in funds included in the above are as follows:

	Income £	Outgoings £	Gains and losses £	Movement in funds £
Unrestricted funds	<u>132,192</u>	<u>(213,674)</u>	<u>1,833,279</u>	<u>2,109,504</u>

18. Related Party Transactions

Donations of £32,655 were made to Cowdray Heritage Trust. Viscount Cowdray (trustee of Cowdray Heritage Trust) is a director of Dickinson Trust Limited (trustee) and Mr B R Newbigging (trustee of Cowdray Heritage Trust) is a director of Rathbone Trust Company Limited (trustee).

The day to day management of the rental properties is undertaken by the Cowdray Estate on an arm's length basis. The management fee charged in the year was £18,000. The Cowdray Estate charged repairs and maintenance costs of £22,890 in the year of which £3,109 was outstanding at 5 April 2021.

Rathbone Trust Company Limited (trustee) charged fees of £4,200 (2020 £4,200).

During the year the Trustees incurred fees of £5,479 (2020: £9,826) from Millbank Financial Services Limited ('MFS') for their Portfolio Stewardship service. The Hon H M T Gibson, The Hon C A Pearson and Mr M P Harris (Directors of The Dickinson Trust Limited) are Directors of MFS. It should also be noted that a sibling of The Hon H M T Gibson and the mother of Mr R C P Troughton (Director of The Dickinson Trust Limited) are also Directors of MFS, namely The Hon W K Gibson and Mrs S H Troughton respectively.).

During the year, the Trustees sold land at Egmont Road, Easebourne, Midhurst, West Sussex, GU29 9BG, known as Conifers School Playing Field (and used as a school car park), to the Trustees of the Cowdray Settled Estate for the sum of £500,000 (before fees). The transaction was authorised on terms which have been communicated to the Charity Commission who are satisfied it was expedient in the interests of the charity that the trustees should enter into the sale, even though the Trustees of the Cowdray Settled Estate is a connected person (as defined in section 118 of the Charities Act 2011).

